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May 23, 2005

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
455 12th Street, S.W.
Washington, D.C. 20554

Via ECFS

Re: American Cable Association ("ACA"); Notice of Ex Parte Presentation; RM-11203

Dear Ms. Dortch:

Under 47 CFR § 1.1206(b), we electronically provide this notice of an ex parte oral presentation in RM-11203. On May 17, 2005, Jeff Abbas of the National Cable Television Cooperative, Bruce Beard of Millennium Digital Media, Dave Keefe of Atlantic Broadband, Jeff Ross of Armstrong Cable, and Christopher Cinnamon and Emily Denney, both of the law firm Cinnamon Mueller, met with the following individuals of the Media Bureau:

Steve Broecker, Deputy Division Chief, Policy Division
Marcia Glauberman, Deputy Chief, Industry Analysis Division
Ben Golant, Policy Division
Eloise Gore, Assistant Division Chief, Policy Division
William Johnson, Deputy Chief
John Norton, Deputy Chief, Policy Division
Ron Parver, Policy Division
Natalie Roisman, Policy Division
Royce Sherlock, Chief, Industry Analysis Division
Tracy Waldon, Chief Economist
Patrick Webre, Industry Analysis Division

The purpose of the meeting was to discuss ACA's Petition for Rulemaking on retransmission consent and broadcast exclusivity. During our meeting, ACA members described how broadcasters are demanding retransmission consent fees of up to \$1 per customer per month. These costs could add more than \$5 per month to basic cable rates. While broadcasters are demanding unprecedented fees, they are also using regulations and contracts to block access to lower cost, out-of-market alternatives. As a result, the "price" of retransmission consent is not based on the market value of the broadcast station, but on the broadcaster's ability to exclude substitutes.

As discussed in its Petition and Reply, ACA has proposed limited adjustments to retransmission consent and the exclusivity regulations. ACA's adjustments will allow market-based pricing of retransmission consent when broadcasters demand consideration from small and medium-sized cable companies. And as stressed in our meeting with the Media Bureau, the proposed changes will affect at most 8% of television households.

ACA's proposal is deregulatory, market-based and will benefit consumers. The detailed record contains substantial support from interest groups representing 2,500 smaller cable and telecommunications companies, over 50 individual small and medium-sized cable companies, and a small broadcast station group owner.

We ask the Commission again to consider this record and grant the Petition.

Sincerely,

A handwritten signature in black ink, appearing to read 'Emily A. Denney', with a stylized, cursive script.

Emily A. Denney

cc via email:

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ex parte MB 052005